

Collection of Income Tax Refund Anticipation Loans

The General Assembly passed legislation this year that protects consumers from abuses in the making and collection of refund anticipation loans (RALs) and improves the disclosure requirements for RALs. This legislation involves recent cases in which individuals have gone to tax preparers who offer to taxpayers the right to get a loan on their anticipated refund from their tax return. If the return is delayed, the individual could bear an interest rate as high as 80% or 90% for a debt that could last several years. This interest rate is exorbitant and unfriendly to consumers, so the legislation sets a two-tier cap to protect consumers in these instances. In the past, the interest rate has tripled in some cases, and the General Assembly put a stop to these absurd increases through this critical legislation. (PA 05-107)



Limiting Cell Phone Directories

Cell phones have become a staple of American life, and their cost and convenience have revolutionized the way we communicate. Instead of paying for an unlimited calling plan, most families opt for a plan that includes a certain number of minutes with anything over the limit priced at a premium. Therefore, many do not disclose their cell phone number for fear they will incur high overage costs.

When the communications industry began making plans to release comprehensive directories disclosing the names, numbers and addresses of their customers, something had to be done. I'm proud that Connecticut is one of the first states in the country to adopt legislation that protects customers from arbitrarily being listed in cell phone directories.

This bill bars companies from disclosing customer information, unless expressly authorized by the customer. The bill also requires the Department of Public Utility Control, a state agency, to establish a toll-free number and website by October 1, 2005, to review consumer cell phone complaints and inquiries. (PA 05-241)



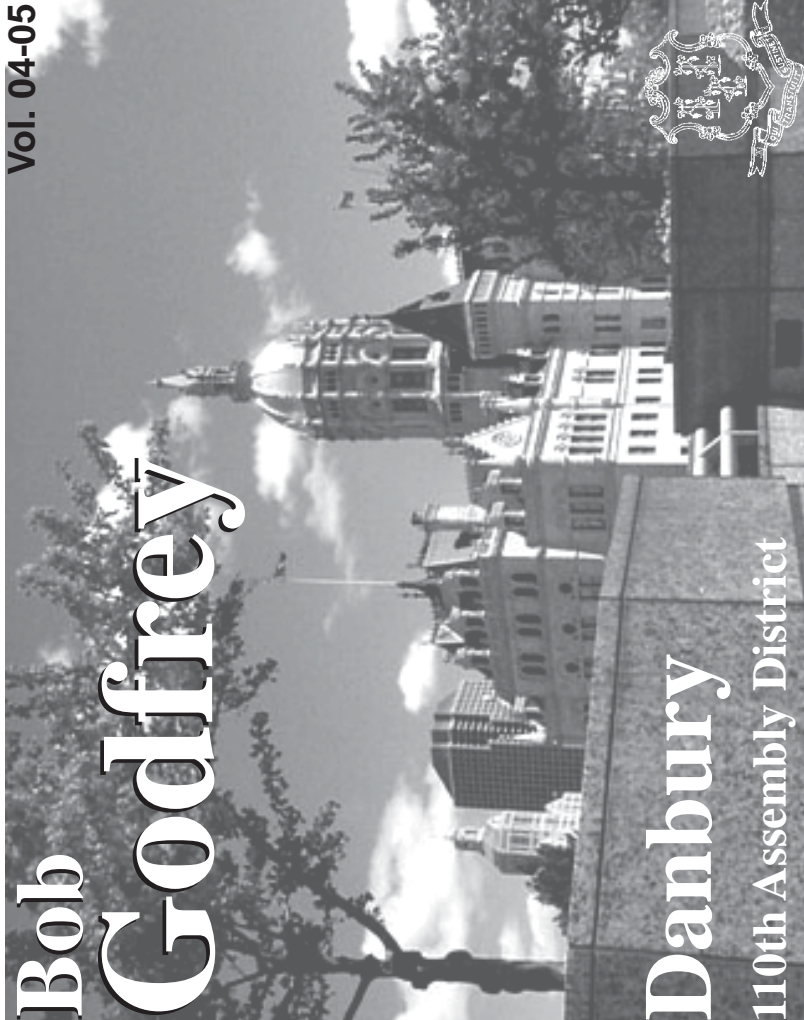
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Vol. 04-05



Consumer Protection in Connecticut

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- Unused Gift Cards
- Restaurant Safety
- Protecting Your Credit Report



Protecting You



PUTTING THE INTERESTS OF CONNECTICUT CITIZENS FIRST

Protecting Your Credit Report



Effective January 1, 2006, consumer credit bureaus must freeze credit reports to combat fraud and identity theft on your request. This bill: requires all freezes to be implemented within five days of a consumer's request; clarifies the means by which a consumer can temporarily remove a freeze; mandates businesses to inform affected consumers, if there has been a security breach involving their computerized personal information. (PA 05-148)

Retail Return Policies

A new law ensures consumers' rights when returning or exchanging retail merchandise. Stores must now warn consumers of electronic databases tracking their refunds and clearly state policies limiting or prohibiting exchanges. Retail establishments cannot refuse a return for a refund or credit if the goods are returned by a clearly posted deadline or exchange policy, unless clearly marked as non-refundable. (PA 05-138)



Unused Gift Cards

In Connecticut, gift cards are becoming a major way of doing business. Most consumers were probably unaware that Connecticut could legally seize the value of unclaimed gift cards and certificates after three years. With the passage of the "Gift Card Act", the state no longer can keep unclaimed gift cards. This is a victory for all consumers!



Currently, the law considers most types of property abandoned if the owner fails to claim it within three years. This act exempts gift cards from the law, eliminates the current law that explicitly states that the value of an unredeemed gift card is presumed abandoned three years after the purchase date or its last use, and eliminates the requirement that gift card sellers obtain and keep the purchaser's address. It also forgives holders of abandoned property from liability to the state for interest or penalty, if they failed to report or deliver abandoned gift certificates to the state treasurer before August 16, 2003. (PA 05-189)

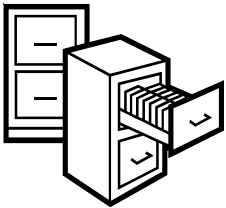
Restaurant Safety

A new law requires restaurants to post a sign describing ways to recognize choking, as well as the necessary procedures to follow if a customer is choking. It also requires that employees familiarize themselves with such procedures before a situation occurs. In addition, the bill allows the removal of one unsealed bottle of wine following a full-course meal from a licensed restaurant. (PA 05-134)



Protections Against Identity Theft

This year, legislators took action on a bill that addresses two growing problems across the state and around the country. First, we addressed crimes against banks – including robberies, check fraud, and check trading schemes, which have been growing at an alarming rate. Legislators corrected an outdated portion of the state privacy laws to permit Connecticut financial institutions to participate in secure information network sharing programs across the country. These programs enable law enforcement agencies to tie together isolated bank fraud incidents and locate a pattern of events. Second, this bill brings state privacy law in line with the federal Fair Credit Reporting Act. Potential victims of identity theft will be able to obtain important bank information from financial records in which all or some of the fraudulent activity may have taken place. As technology evolves, the problem becomes more insidious, but this legislation will take a step in the right direction toward providing constituents with protections from identity theft. (PA 05-62)



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I would like to hear from you 1-800-842-1902 at the Capitol - Bob Godfrey